

THE STATE OF TEXAS §

COUNTY OF CAMERON §

BE IT REMEMBERED on the 1st day of February 2016, there was conducted a Special Meeting of the Cameron County Regional Mobility Authority, at the Joe G. Rivera and Aurora de la Garza County Annex thereof, in San Benito, Texas, for the purpose of transacting any and all business that may lawfully be brought before the same.

THE BOARD MET AT:

12:00 Noon

PRESENT:

DAVID E. ALLEX
CHAIRPERSON

MICHAEL F. SCAIEF
DIRECTOR

DAVID N. GARZA
DIRECTOR

RUBEN GALLEGOS, JR.
DIRECTOR

MARK ESPARZA
DIRECTOR

NAT LOPEZ
DIRECTOR

HORACIO BARRERA
DIRECTOR

ABSENT

ABSENT

ABSENT

=====

The Meeting was called to order by Vice Chairman Ruben Gallegos, Jr., at 12:02 P.M. At this time, the Board considered the following matters as per RMA Agenda posted and filed for Record in the Office of the County Clerk on this 27th day of January 2016 at 9:38 A.M.



AGENDA

**Special Meeting of the Board of Directors
of the
Cameron County Regional Mobility Authority**

**Joe G. Rivera and Aurora de la Garza County Annex
1390 West I69E
San Benito, Texas 78586**

Monday, February 1, 2016

12:00 Noon

PUBLIC COMMENTS:

1. Public Comments

Accepted for Filing in:
Cameron County

On: Jan 27, 2016 at 09:38A

CONSENT ITEMS:

2. All Item(s) under the Consent RMA Agenda are heard collectively unless opposition is presented, in which case the contested Item will be considered, discussed, and appropriate action taken separately

By:
Maggie Pena

A. Consideration and Approval of the Minutes for:

January 14, 2016 – Regular Meeting

ITEMS FOR DISCUSSION AND ACTION:

3. Action Items

A. Approval of Claims

B. Consideration and Approval to award a Request for Proposal (RFP) for the Toll Back Office System

C. Consideration and Authorization to conduct Industry Review Meetings in anticipation of issuing a Request for Qualifications (RFQ) for a Comprehensive Development Agreement for the SPI 2nd Access/Outer Parkway Projects

D. Discussion and Possible Action regarding the U.S. 281 Connector Project

ADJOURNMENT:

Signed this 27th day of January 2016

DeSj / for
David E. Allex
Chairman

NOTE:

Participation by Telephone Conference Call – One or more members of the CCRMA Board of Directors may participate in this meeting through a telephone conference call, as authorized by Sec. 370.262, Texas Transportation Code. Each part of the telephone conference call meeting that by law must be open to the public shall be audible to the public at the meeting location and will be recorded. On conclusion of the meeting, the recording will be made available to the public.

PUBLIC COMMENTS

1 PUBLIC COMMENTS

None were presented.

CONSENT ITEMS

ALL ITEM(S) UNDER THE CONSENT RMA AGENDA ARE HEARD COLLECTIVELY UNLESS OPPOSITION IS PRESENTED, IN WHICH CASE THE CONTESTED ITEM WILL BE CONSIDERED, DISCUSSED AND APPROPRIATE ACTION TAKEN SEPARATELY

2-A Consideration and Approval of the Minutes for:

January 14, 2016 – Regular Meeting

Director Esparza moved to approve the minutes of January 14, 2016 Regular Meeting. The motion was seconded by Director Scaief and carried unanimously.

NOTE: Director Horacio Barrera arrived to the meeting at 12:03 P.M.

ACTION ITEMS

3-A Approval of Claims

The attached claims were presented to the Board of Directors for approval.

Mr. Adrian Rincones, RMA Controller and Financial Officer introduced the claims into the record and recommended approval of the Claims.

Director Lopez moved to approve the Claims. The motion was seconded by Secretary Garza and carried unanimously.

The Claims are as follows:

NOTE: Chairman David E. Alex arrived to the meeting at 12:06 P.M.

3-B Consideration and Approval to award a Request for Proposal (RFP) for the Toll Back Office System

Mr. Adrian Rincones, RMA Controller and Financial Officer went over the process of obtaining an RFP for the Toll Back Office System. He explained to the Board in detail the evaluation process in selecting a Company and after the Evaluation Committee and Staff review of the Proposals, it was recommended that TollPlus, Inc. be awarded the RFP. Mr. Rincones went into detail in explaining the attached cost benefit analysis.

Vice Chair Gallegos moved to award the Request for Proposal (RFP) for the Toll Back Office System to TollPlus, Inc. The motion was seconded by Secretary Garza and carried unanimously.

The Analysis is as follows:

3-C Consideration and Authorization to conduct Industry Review Meetings in anticipation of issuing a Request for Qualifications (RFQ) for a Comprehensive Development Agreement for the SPI 2nd Access/Outer Parkway Projects

Mr. Pete Sepulveda, Jr., RMA Executive Director read the memo that was in the Board packet and is attached. Mr. Sepulveda mentioned that there was a significant milestone and that TxDOT had approved for the RMA to move forward with the procurement process. State Representative Eddie Lucio, III, congratulated the Board and thanked them for their hard work and dedication. Cameron County Commissioner Pct. #1 Sofia C. Benavides also thanked the Board for their leadership.

Vice Chair Gallegos moved to authorize Staff to proceed with the Industry Review Meetings. The motion was seconded by Secretary Garza and carried unanimously.

The Memo is as follows:

3-D Discussion and Possible Action regarding the U.S. 281 Connector Project

Mr. Pete Sepulveda, Jr., RMA Executive Director advised the Board that he was working with TxDOT to get the project off the ground.

ADJOURNMENT

There being no further business to come before the Board and upon motion by Vice Chair Gallegos seconded by Director Lopez and carried unanimously the meeting was **ADJOURNED** at 12:46 P.M.

APPROVED this 11th day of February, 2016.

ATTESTED: _____

SECRETARY DAVID N. GARZA


CHAIRMAN DAVID E. ALLEX

3-A APPROVAL OF CLAIMS



MEMORANDUM

TO: Chairman and Board Members

FROM: Pete Sepulveda, Jr., Executive Director

RE: Claims Item 3A

DATE: February 1, 2016

Attached are the Claims being presented for consideration and payment.

The Claims include:

- Adrian Rincones – Travel for Border Finance & Toll Plus Site Visit, 2 Yr Renewal of Email Hosting & Web- Go Daddy, W2 Supplies, Reimbursement for the annual renewal Brinkster
- Aflac – January 2016 Employee Benefits
- CLE International – Eminent Domain Conference – Dylbia
- Ericka Trevino – Reimbursement for Stamps and Mileage
- Valeria Juarez – Reimbursement for Mileage
- Entravision – Marketing services for February 2016
- HNTB – RFI On West Rail Project, International Advisor Services West Rail Project
- IBC Bank – Refund of Bank Depository RFP deposits
- Michelle Lopez – Reimbursement for Marketing Director's Mileage
- PUB – Utilities on Port Spur
- Reliant – Utilities at Rancho Office
- Staples Credit – Office supplies
- SWC Group – Return of RFP Deposit SWC
- Texas Regional – Refund of Bank Depository RFP deposits
- The Rentfro Law – West Rail Legal Expenses
- Verizon Wireless – Verizon Hot Spot Dec-Jan 2016
- Wells Fargo – Refund of Bank Depository RFP deposits
- Xerox – Monthly lease of office Xerox
- ZIEGNER – Monthly host expense Accounting Software

I recommend approval of the invoices.

CAMERON COUNTY REGIONAL MOBILITY AUTHORITY

Invoices Selected for Payment - Claims to be Paid

Vendor ID	Vendor Name	Invoice Number	Cash Required	Invoice/Credit Description
Adrian	Adrian Rincones	AR 1.23.16	1,973.22	Travel for Border Finance & ToliPlus Site Visit
Adrian	Adrian Rincones	AR 1.27.16	2,684.27	2 Yr Renewal of Email Hosting & Web-Go Daddy
Adrian	Adrian Rincones	AR 1.29.16	49.48	W2 Supplies Reimbursement
Adrian	Adrian Rincones	Brinkster-2016	353.53	Reimbursement for the annual renewal of Email Hosting -Brink
AFLAC	Aflac	541561	397.95	January 2016 Employee Benefits - Aflac
CLE International	CLE International	129210	895.00	Eminent Domain Conference - Dylbia
Emp Ericka Trevino	Ericka Trevino	ET 1-13-2016	32.99	Employee reimbursement for Stamps and Mileage
Emp Valeria Juarez	Valeria Juarez	VJ 1-26-16	66.76	Employee Mileage reimbursement
Entravision	Entravision Communications	2 - 2016	1,000.00	Monthly Marketing services for February 2016
HNTB	HNTB CORPORATION	115-40619-CN-069	2,002.95	RFI On West Rail Project
HNTB	HNTB CORPORATION	8-62837-PL-004	24,952.00	International Advisor Services West Rail Project
IBC Bank	International Bank of Commerce	IBC-01	1,000.00	Refund of Bank Depository RFP deposits
Michelle Lopez	Michelle Lopez	ML Dec 2015	238.17	Reimbursement for Mileage for Marketing Director
PUB	Public Utilities Board	Jan 2016 588837	221.76	Utilities on Port Spur
Reliant	Reliant	115004917807	357.56	Utilities at Rancho Office
Staples Credit	Staples Credit Plan	Jan 2016	643.09	Office supplies
SWC Group	SWC Group	SWC Group RFP	60,688.00	Return of RFP Deposit SWC
Texas Regional	Texas Regional Bank	TRB - 01	1,000.00	Refund of Bank Depository RFP deposits
The Rentfro Law ...	The Rentfro Law Firm, PLLC.	019559	320.00	West Rail Legal Expenses
The Rentfro Law ...	The Rentfro Law Firm, PLLC.	019560	891.66	West Rail Legal Expenses
The Rentfro Law ...	The Rentfro Law Firm, PLLC.	019561	2,194.26	West Rail Legal Expenses
The Rentfro Law ...	The Rentfro Law Firm, PLLC.	019562	1,779.95	West Rail Legal Expenses
Verizon Wireless	Verizon Wireless	7304785613	52.36	Verizon HotSpot Dec-Jan 16
Wells Fargo	Wells Fargo Bank NA	Wells - 01	1,000.00	Refund of Bank Depository RFP deposits
Xerox	Xerox	082809037	457.89	Monthly lease of office xerox
ZIEGNER	ZIEGNER TECHNOLOGIES	103053	402.00	Monthly host expense for Accounting Software
Report Total			105,654.85	

**3-B CONSIDERATION AND APPROVAL TO AWARD A REQUEST FOR
PROPOSAL (RFP) FOR THE TOLL BACK OFFICE SYSTEM**



Report on CCRMA BOS Cost and Operational analysis

JANUARY 2016

CCRMA BOS Cost and Operational Analysis

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Historical Cost of Back Office with MSB

When the CCRMA initiated its toll program in 2011, it entered into an interlocal agreement with the Central Texas Regional Mobility Authority (CTRMA) to utilize their agreement with Municipal Services Bureau (MSB) for violation processing and debt collection services. The terms and business rules governing the contract are those of CTRMA. Below I have provided a summary of what this solution has cost CCRMA from FY2013 – December 2015. Note, CTRMA's contract with MSB expires January 2018. It is anticipated CTRMA will issue a Request for Proposal (RFP) for their future violation processing and debt collection services.

BOS Cost

This cost represents the violation fee portion of our revenues that MSB keeps for handling operations. The contract terms with CTRMA and MSB calls for 2/3 of all violation fees collected will belong to MSB. By way of example below is a toll transaction with one violation fee:

Toll	\$0.67
Violation Fee CCRMA	\$5.00
Violation Fee MSB	\$10.00
Total Transaction Revenue	\$15.67
CCRMA Revenue	\$5.67
MSB Revenue	\$10.00 = BOS Cost

Image Review

For each transaction that does not have an active transponder/tag account on the vehicle, it will enter the video tolling process. Video tolling requires a process called image review where an image is taken of the license plate and processed through the Back Office System. This rate has changed over the term of the contract from \$0.12, \$0.07, to the current rate beginning in 2016 of \$0.045. MSB charges this rate for every transaction that enters this process.

Add on Fees

There are two separate toll rates for the SH550. We have what the AVI Rate or Tag rate (currently \$0.50 for two axel vehicle) and the Video Tolling Rate also known as Pay By Mail rate (currently \$0.67 for two axel vehicle). The cost increase between the Tag rate and the Pay By Mail rate is referred to as the Add on Fees. MSB keeps \$.08 or 45% of this fee.

Notice Fees

For each toll bill or notice that is required to be mailed to our customers, an additional charge is allocated to the amount due which is referred to as the notice fee. Currently the charge is one dollar (\$1.00) for each toll bill/notice that is mailed to our customers. This fee belongs to MSB as part of the contract. Below is a summary of the fee structure for PBM transactions.

Toll Bill	\$1.00	Mailing fee
1st Notice of Violation	\$15.00	If not paid in 30 days
2nd Notice of Violation	\$30.00	If not paid in 60 days
Final Notice of Violation	\$60.00	If not paid in 90 days

Cost of Code Offs

Toll transactions not associated to a valid transponder (tag) are processed as image-based toll transactions. Image-based toll transactions are analyzed through a series of steps where a front and rear picture of the vehicle are transferred from the roadside toll equipment to the back office system for processing. Once the image files are received from the roadside, the back office system processes the images including the use of Optical Character Recognition (OCR) software to automatically identify the license plate if possible, and manual image review where a Customer Service Representative (CSR) reviews the image and keys in the license plate characters. Whether the image is identified through OCR or manual image review, or a combination of both, depends on the quality of the image and physical condition of the vehicle's license plate. If the license plate number is not legible, the image is "coded-off" and further processing is halted for the associated toll transaction. "Code-offs" are categorized in two main categories, "preventable" and "unpreventable". A preventable "code-off" is due to an issue with the roadside equipment that results in subpar image quality. These type of issues can typically be corrected by making adjustments to the equipment. An unpreventable "code-off" is a scenario where the image quality is acceptable, but the vehicle in the image does not have a usable license plate (e.g. missing license plate or temporary plates) or the license plate is physically damaged or obstructed. Historically we have seen a much higher than average number of code offs in comparison to other toll roads, at times at a rate 5x higher than our peers. To correct this, we have instituted controls and audited these transactions ourselves. Through the course of our audits, we have found many of the "preventable" "code-offs" are a result of CSR error. In other words the code off could have been avoided if the CSR would have processed the image transaction correctly. This ultimately has cost the CCRMA lost revenue and is included in the cost of the system below. We believe the error rate could be greatly minimized by bringing the image review process in-house, implementing quality control procedures, and emphasizing accuracy while still maintaining an acceptable level of throughput. For issues related to roadside equipment, we have begun replacing older equipment that has experienced degraded performance over the past year.

Historical Cost of Back Office with MSB (continued)

Below is the total real cash cost of the MSB BOS for the last 3 ¼ years on a cash basis. A total of \$1,215,938 was paid for the system.

Fiscal Year	BOS Cost	Image Review	Add On Fees	Est Notice Fees	Est Code off Cost	Totals
FY2013	\$ 151,428.51	\$ 18,689.92	\$ 6,541.15	\$ 8,265.60	\$ 24,743.68	\$ 209,668.86
FY2014	\$ 218,073.97	\$ 33,268.35	\$ 9,977.89	\$ 13,776.00	\$ 34,107.84	\$ 309,204.05
FY2015	\$ 298,324.98	\$ 48,466.00	\$ 19,113.55	\$ 17,220.00	\$ 79,783.44	\$ 462,907.97
FY2016 - Oct - Dec	\$ 167,984.46	\$ 18,388.00	\$ 13,110.00	\$ 4,305.00	\$ 30,370.08	\$ 234,157.54
	\$ 835,811.92	\$ 118,812.27	\$ 48,742.59	\$ 43,566.60	\$ 169,005.04	\$ 1,215,938.42

The Back Office System with MSB is revenue based. The more violation revenue you make the more the system costs.

Accounts Receivable/Outstanding Tolls & Violations

As of December 31, 2015 we have the following totals outstanding

Tolls Outstanding	\$ 177,041
Violations Fees - CCRMA	\$ 964,997
Violations Fees - MSB	\$ 1,447,496

If we recorded our revenues on an accrual basis, then the cost of the MSB system as of December 31, 2015 would be **\$2,663,434** (1,215,938 + 1,447,496).

CCRMA Back Office System forecasted cost

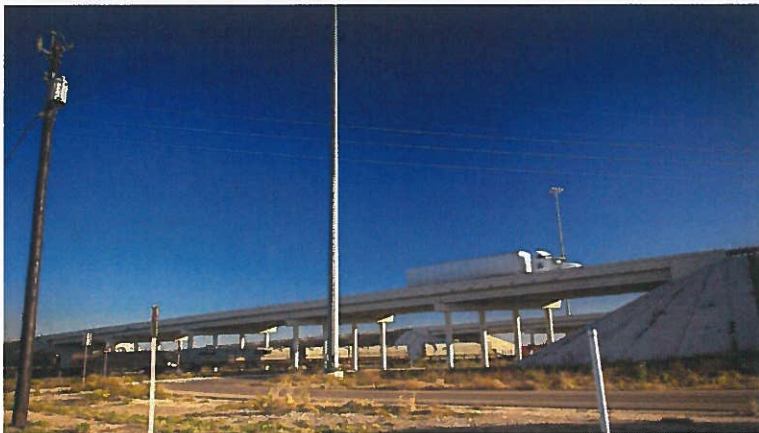
Below is the summary of the five year forecasted cost of implementing the recommended Toll Plus BOS in CCRMA operations

Toll Plus System

The implementation cost of the proposed BOS by Toll Plus was amortized over ten years to arrive at this cost. This is a fixed cost and would not increase unless by change order. While it is expected that modifications to the system may be requested by CCRMA to support future changes to business rules or policies, the highly configurable and flexible nature of the Toll Plus system will allow us to do so without the high price tag associated with other systems and providers. We have been reassured through our consultants and Toll Plus that a standard life expectancy of the system could be assumed for 10 years. This does not indicate that updates will not be occurring on the system, only those updates are part of the maintenance fees associated with the contract.

Toll Plus Maintenance

This cost is required as part of purchasing the system. The annual maintenance cost for a BOS around the industry is between 20% - 25% of the implementation cost. As part of our budget for the RFP we required this cost to be no more than 20% annually. This cost for Toll Plus includes



24/7 operational support, 24/7 remote monitoring, Software updates, system availability, etc. This cost covers the IT & Software support needed to operate the system for us.

One key benefit of the Toll Plus solution is the hardware required by the back office system is hosted at a secure data center, alleviating CCRMA of additional costs of storing and maintaining hardware physically located at CCRMA's facilities. The hosted, or "Cloud Computing" model greatly reduces the capital and labor expenditures required for operation of a back office system while still exceeding the levels of performance, security, and redundancy desired to ensure minimal loss of revenue due to downtime.

Interface & Hardware Cost

CCRMA will be in charge of printing and mailing all customer correspondence, primarily including toll bills and violation notices. The Hardware cost consists of equipment required for print, mail,

and scan outgoing and incoming correspondence in house. The majority of this cost is a onetime cost for the hardware with a life expectancy of five – seven years, however we allocated for five only. We currently charge all customers \$1.00 per Toll Bill to offset the cost of print and mail, we will have the flexibility to adjust this price in the future. One other advantage of the Toll Plus system is the capability for customers to opt-in for emailed correspondence and notifications via text messages further reducing costs. Customers may also submit documentation via the website related to inquiries, disputes, and updates to their accounts.

The back office system will interface electronically with the Texas Department of Motor Vehicles (DMV) Vehicle, Title, and Registration (VTR) database to obtain registered owner name and address information for all legible image-based toll transactions with a Texas license plate. If a Texas license plate is successfully matched with a registered owner in the DMV VTR system, the information will be retrieved and any toll transactions associated with the license plate will automatically enter the billing system. Currently, Texas license plates account for 90% of our USA based transactions. We may also implement additional interfaces to obtain registered owner information for other US states, if a cost-benefit exists. Additional vehicle owner name and address verification tools such as skip tracing services may be employed if correspondence is returned as undeliverable, or to prepare for court cases

Equipment & Network Cost

This cost has been forecasted to cover the additional networking, telephony and desktop equipment required to staff 6 additional employees.

Employee Cost

This cost has been forecasted using a payroll matrix created by CCRMA to manage the additional staff. It assumes a total of six additional non-supervisory level employees. The cost includes salaries (at an increasing rate of 5%) payroll taxes (at an increasing rate of 1%), health insurance (assuming family coverage for each employee with an increasing rate of 5%), retirement plan cost (with an increasing rate of 2%), and general overhead cost (a overhead cost of 5% of the total sum of the employee forecasted cost was allocated to each employee). We believe a staff of six additional employees would be the maximum required to operate our BOS with the amount of traffic forecasted over the next five years, however we plan to begin operating the BOS with only three additional employees and scaling upwards as traffic demands it.

Contractual Cost & Marketing

This cost is the forecast of the additional consulting support we will be needing to oversee the BOS operations. We will also have additional marketing primarily focusing on payment methods and enforcement.

CCRMA Back Office System forecasted cost - continued

Leasing

This is the forecasted cost for leasing additional office space and office equipment for the BOS over the next five years.

Below is the total forecasted cost of the CCRMA BOS for the next five years. A total cost of \$3,904,753

	Toll Plus System	Toll Plus Maintenance	Interface & Hardware Cost	Equipment & Network Cost	Cost of Employees	Contractual Cost & Marketing	Rent & Leasing Cost	Totals
FY2017	\$ 88,684.20	\$ 179,516.00	\$ 35,000.00	\$ 15,000.00	\$ 332,750.40	\$ 100,000.00	\$ 30,000.00	\$ 780,950.60
FY2018	\$ 88,684.20	\$ 179,516.00	\$ 35,000.00	\$ 15,000.00	\$ 332,750.40	\$ 100,000.00	\$ 30,000.00	\$ 780,950.60
FY2019	\$ 88,684.20	\$ 179,516.00	\$ 35,000.00	\$ 15,000.00	\$ 332,750.40	\$ 100,000.00	\$ 30,000.00	\$ 780,950.60
FY2020	\$ 88,684.20	\$ 179,516.00	\$ 35,000.00	\$ 15,000.00	\$ 332,750.40	\$ 100,000.00	\$ 30,000.00	\$ 780,950.60
FY2021	\$ 88,684.20	\$ 179,516.00	\$ 35,000.00	\$ 15,000.00	\$ 332,750.40	\$ 100,000.00	\$ 30,000.00	\$ 780,950.60
	\$ 443,421.00	\$ 897,580.00	\$ 175,000.00	\$ 75,000.00	\$ 1,663,752.00	\$ 500,000.00	\$ 150,000.00	\$ 3,904,753.00

Forecasted Pay By Mail Revenue and BOS Comparison

Forecasted Toll & Violation Revenue

The revenue forecast presented on this report is for Pay By Mail/Video Tolling revenue only and was forecasted on a cash basis excluding transponder/AVI revenue. In pursuance of a more accurate forecast a historical analysis of CCRMA's cash collections was used then scaled down to 70% to adjust for the collection inefficiencies we may experience in the first five years of the BOS implementation. The totals below assume that all the revenue collected is ours and will not be shared with MSB.

MSB BOS

The rate used in the forecast comes from the overall percentage of our revenue that MSB has charged CCRMA historically. The cost of the MSB BOS averages about 75% of our total Pay By Mail (PBM) revenue.

CCRMA BOS

The cost previously reported under CCRMA BOS Cost Analysis allocated over a five year period.

Result

After careful review of the forecast reports. We can see a significant cost savings projected by implementing the CCRMA proposed BOS leading to an increase in our net PBM profit in the years to come.



5year Forecast CCRMA continuing with current MSB BOS

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>Totals</u>
Toll Revenue	\$ 475,200	\$ 513,216	\$ 554,273	\$ 598,615	\$ 646,504	\$ 2,787,808.78
Toll Violation						
Revenue	\$ 665,280	\$ 718,502	\$ 775,983	\$ 838,061	\$ 905,106	\$ 3,902,932.29
MSB BOS	\$(974,160.00)	\$(1,052,092.80)	\$(1,136,260.22)	\$(1,227,161.04)	\$(1,325,333.93)	\$(5,715,007.99)
Net PBM Profit	\$ 166,320.00	\$ 179,625.60	\$ 193,995.65	\$ 209,515.30	\$ 226,276.52	<u>\$ 975,733.07</u>

Forecasted Pay By Mail revenue and BOS comparison - continued

5year Forecast CCRMA Implementing Toll Plus BOS

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>Totals</u>
Toll Revenue	\$ 475,200	\$ 513,216	\$ 554,273	\$ 598,615	\$ 646,504	\$ 2,787,808.78
Toll Violation						
Revenue	\$ 665,280	\$ 718,502	\$ 775,983	\$ 838,061	\$ 905,106	\$ 3,902,932.29
CCRMA BOS	\$(780,950.60)	\$(780,950.60)	\$(780,950.60)	\$(780,950.60)	\$(780,950.60)	\$(3,904,753.00)
Net PBM Profit	\$ 359,529.40	\$ 450,767.80	\$ 549,305.27	\$ 655,725.74	\$ 770,659.85	<u>\$ 2,785,988.06</u>

Some Qualitative Values of a CCRMA BOS

Image Review

Currently CCRMA experiences an unusually high percentage of code-offs for video toll (image-based) transactions. These are toll transactions where a valid transponder was not recognized in the vehicle by the toll equipment, and a picture of the vehicles license plate was captured for billing through our Pay by Mail process. Code-offs are entered by the MSB operator during the image review process if a legible license plate number is not available in the image. Some common reasons for code-offs is the image is too dark, the image does not contain a license plate, or the plate was obstructed from view. A large percentage of the code-offs are given a reason of poor image quality. We have implemented procedures to test samples of these code-offs and found on average that 60% of the time they are coded off in error, either coded-off when the plate number and jurisdiction were legible, or coded-off for the incorrect reason, making it difficult to troubleshoot problems with toll road equipment in order to make adjustments. Ultimately all code-offs are unbillable transactions and affect our bottom line. Additionally, under the current pricing model with MSB, CCRMA must pay a fee for all transactions processed through image review, included code-offs. One of the key components of our RFP for a new Back Office System was a well-designed and user-friendly image review application. We have reviewed the image review software proposed in response to our RFP and compared this to our requirements. Based on the technical scoring and presentations, we believe the image review application included as part of the Toll Plus Back Office System proposals is far superior.



The software provided by Toll Plus provides an intuitive and user-friendly experience to maximize throughput and accuracy, as well as many audit and reconciliation features allowing for greater control. These features would allow us to isolate any equipment or process related issues quickly minimizing the impact to revenue. Included with the Toll Plus system is an automated process known as Optical Character Recognition (OCR), where through the use of software the license plate number is automatically extracted from the image. We feel with proper configuration and testing this will reduce the overhead involved with keying license plates manually. We believe this benefit will be a key driver to an improved customer experience and profitability to



our toll operations. Another large percentage, approximately 20% of total traffic, of code-offs are attributed to Mexico license plates. Currently we do not have a process in place to address these type of license plates and eventually they are written off. Implementing our own BOS we will set up our process to house and store these transactions and have them accrue the normal charges similarly to customers with Texas license plates. Through marketing and awareness campaigns, and in coordination with the International Bridges, we would encourage our international customers to open accounts via our website and register their Mexico plates for automatic billing with a credit card. This will also help us if we choose in the future to create an enforcement policy around Mexico plates using the vehicle data stored in the Back Office System database. This functionality is available to us through the Toll Plus system.

Additional features available to us with the Toll Plus system is the ability to be flexible with Image Review in our operations. For example if we wish to operate the image review process somewhere other than our headquarters we can because it is a cloud solution available through a secure connection over the internet. A potential benefit of this was an idea that we could outsource this function to a local workforce if we find it to be cost beneficial, such as a local correctional facility. At a minimal cost we could employ and provide a productive use and skill to this workforce and provide a direct benefit to the County and local community. This is one of many ideas or possibilities available to us if we have our own BOS from Toll Plus.

100% Transaction Reconciliation

One of the largest limitations we face today with outsourcing toll operations is the lack of reliable and available financial and operational reports. The inability to have reliable data and understand the current state of 100% of our transactions at any given time greatly diminishes are ability to make expeditious and effective business decisions. In working through the RFP process and witnessing capable systems available today we have a clear understanding of the tools available and the value of an all-inclusive Back Office System. The ability to access data at the click of a button allows us to make informed decisions on our process and provide cradle to grave accountability to our financial operations.

Customer service and additional Payment options

We have found some advantages of working with our customers directly and locally. One example of this was in the case of our commercial collections. MSB assigns outstanding commercial toll violations to its commercial collection department. We have found this department to have a very difficult time collecting from the commercial clients locally, so we offered to assist them with this process. Liz Ponce leads this effort for us and in one example found a local trucking company that had a balance of over 12,000 dollars owed to us in tolls and violations. She reached out to the customer and explained the process and the amount outstanding. The client agreed to pay the balance in full with no discount and when asked why they had not paid prior, they simply said that it was a confusing process with multiple statements being invoiced to them with different amounts and would have preferred to work with someone locally. They have since become one of our best customers and make all payments for their trucks locally with us.

Another challenge we have heard from our clients is the experience with TxTag. Currently this is the tag we promote but have found many customers complain about the service they receive from TxTag and unfortunately we have been offered little or no control in handling this for our customers. With the Toll Plus BOS we will be able to create accounts locally for our customers with automatic payment features. We have the flexibility to work on a pre pay basis, post pay, and even be able to offer day passes or gift cards. The system could also be configured to issue our own transponders/tags in the future if we choose. We believe these additional features will allow us to provide a more complete service for our customers and increase profitability.

Opportunities for future interoperability

The vision we have for the region is one of interoperability. We envision a process of developing interoperability of the International Bridges, Port of Brownsville, and Cameron County Park system with the SH550 toll road and any future toll roads. The benefits of allowing commercial businesses the convenience of having one transponder/account to manage all these services makes doing business in this region much easier. The ability to consolidate Customer Service Centers and Back Office Solutions for all these entities can also provide substantial savings and create efficiencies. Acquiring the Toll Plus BOS brings us one step closer towards this vision for the future.

CCRMA Operations of the BOS

High level operational plan

The CCRMA BOS will require the operations of four major processes; image review, print & mail, payment processing, and customer service by phone and in person. The plan is to bring on additional staff to perform these functions. The staff will be cross trained on all major processes and rotated on normal schedules to maximize productivity and overall knowledge of the system.

Image Review

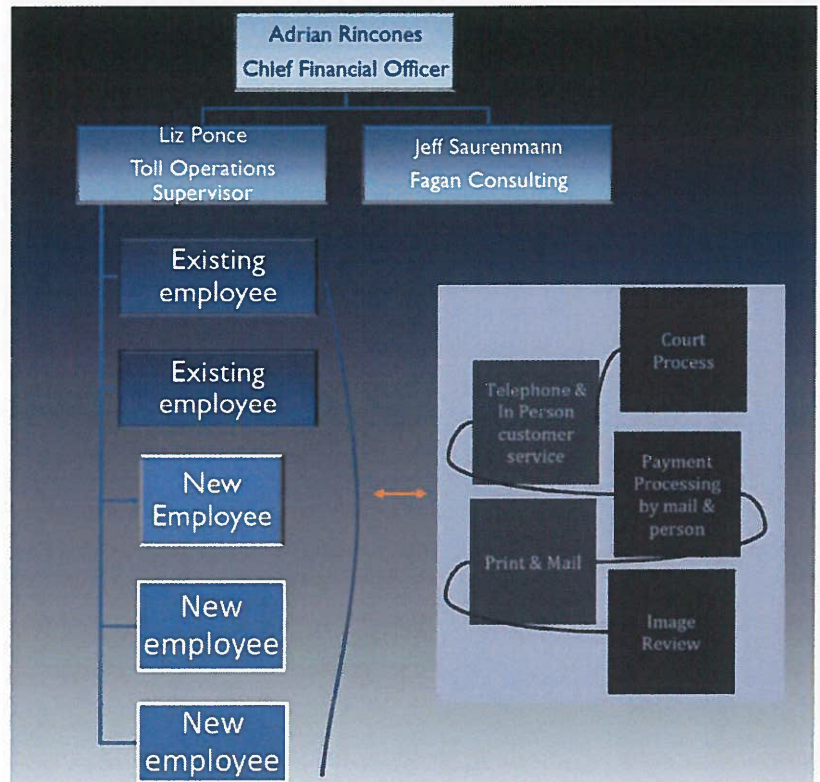
The SH550 currently produces between 3,500 – 4,500 images to be reviewed on a daily basis. A seasoned image review operator can perform over 1,000 reviews in one hour. We expect to have two staff dedicated to reviews daily and do not anticipate a backlog of transactions. We have also contemplated opening the office on Saturday mornings for image review to address any potential backlogs.

Print & Mail

We have the option to outsource this function or perform in house. If performed in house a specialized printer and attachment would be procured that would allow for large batches of invoices to be printed and would also fold and stuff envelopes to minimize manual effort. Outgoing mail would be batch processed and scheduled to print in late afternoons or overnight. We have reviewed procedures of many larger volume agencies and can implement best practices.

Payment Processing

Payments will be accepted in the form of cash, check, credit cards, and by ACH debit. Currently the CCRMA accepts cash payments and performs manual reconciliations, along with daily and random cash counts. This process will be greatly improved by implementing the Toll Plus BOS. The BOS offers an electronic cash box module which provides tracking of all payments a CSR accepts on a daily basis allowing reconciliations to be performed with improved accuracy and efficiency. We will also have the capability of depositing checks directly using electronic check clearing equipment from our office provided through our depository contract to expedite



processing of payments and reduce the number of trips employees need to make to the bank. To accept credit card payments the CCRMA will be required to implement procedures to be compliant with Payment Card Industry (PCI) standards. The Toll Plus BOS meets the necessary requirements as a system to be compliant with PCI standards and has recommended for us to contract with merchant card vendors who offer tokenization to improve this effort on the CCRMA end. Tokenization is a process used in the card payment industry to reduce the scope of PCI compliance by avoiding the storage of cardholder data stored within your system by replacing it with a random number or token. This token number is what will be stored and processed through the system and the payment processing vendor will receive the cardholder data necessary to process and store payment information. The process of tokenization minimizes the risk of employees having access to cardholder financial data and mitigates the risk of storage over to the payment processing vendor. We have through our consultant Fagan Consulting and the Toll Plus System the expertise and support required to be fully trained compliant with PCI standards.

Customer Service by phone and in person

We will need to procure additional phone equipment for a minimal cost that will allow for hands free usage and will schedule staffers to the call center where they will be available to answer customer service calls, provide online chat support to our customers via our website, and also perform image review in between calls. On average the current call volume MSB experiences is around 180 inbound calls a week from our customers, which is a volume that can be easily handled with in house staff. Our goal is to have a live person answer the call and provide a solution to the clients without having to shift through an automated menu.

Accounts receivable and collections processing

With time the CCRMA BOS will create a portfolio of delinquent accounts in which some will be processed through our court enforcement program and others that pass the statute of limitations will enter collections processing. We do not anticipate implementation of processes such as auto dialers or outbound calls by staff, similar to a collection agency. Rather we plan to implement similar procedures as other local governments by contracting a collection agency to perform collections on our outstanding accounts. MSB specializes in government collections and currently performs these functions for us, in operating our own BOS we will have the ability to negotiate and sell our receivables to a company like MSB and avoid carrying on our books for an extended period of time. There are many companies who offer these services locally or other non-local like MSB that specialize in toll collections.

CCRMA Current Year 1st Quarter Scenario

Presented below are the results of the first quarter toll revenues and expenditures for the current fiscal year. For purposes of comparison we input the projected cost for the Toll Plus System to provide a real scenario of what the results could be next to our existing system. The primary expense in operating the Toll Plus System is the employee wages. In order to present the expenses conservatively we have inflated the cost for these employees as well as the needed capacity. The forecasts have accommodated for six additional non-supervisory level employees when based off of current and projected activity we expect to operate the Toll Plus System with only three additional employees for the next few years. We included in the following totals the difference in cost for six and three employees for this purpose.

The result is the Toll Plus system outperforms the MSB system by over 40% when looking at a total of 6 additional employees and over 90% when looking at only 3 additional employees.

If the results were presented on an accrual basis the Toll Plus system would outperform even more due to the fact that the MSB system is revenue based and costs more as transactions accrue additional violation fees where in the Toll Plus System the additional violation fee revenue belongs entirely to the RMA.


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Cash Basis	(totals presented with 6 employees)		(totals presented with 3 employees)	
	MSB BOS	Toll Plus BOS	MSB BOS	Toll Plus BOS
	October 2015 - December 2015	October 2015 - December 2015	October 2015 - December 2015	October 2015 - December 2015
Toll Operating Revenues				
Toll Revenue	111,688.03	111,688.03	111,688.03	111,688.03
Toll Violation Revenue	237,901.28	237,901.28	237,901.28	237,901.28
Interop Revenue	100,706.50	100,706.50	100,706.50	100,706.50
Bridge	0.00	0.00	0.00	0.00
Interoperability Other Revenue	0.00	0.00	0.00	0.00
Total Toll Operating Revenues	<u>450,295.81</u>	<u>450,295.81</u>	<u>450,295.81</u>	<u>450,295.81</u>
Toll Operating Expenses				
Advertising & Marketing	16,885.68	16,885.68	16,885.68	16,885.68
Contractual	3,500.00	3,500.00	3,500.00	3,500.00
Education & Training	0.00	0.00	0.00	0.00
Maintenance - SH 550	15,882.19	15,882.19	15,882.19	15,882.19
Interop	6,576.69	6,576.69	6,576.69	6,576.69
Collection Fees				
Toll Plus BOS	0.00	164,316.60	0.00	122,722.80
MSB BOS	167,984.46	0.00	167,984.46	0.00
PBM Add on Fees	13,110.56	0.00	13,110.56	0.00
PBM Image Review	18,388.43	0.00	18,388.43	0.00
PBM Pre-Court Program	450.00	450.00	450.00	450.00
Postage	100.15	100.15	100.15	100.15
Rent	0.00	0.00	0.00	0.00
Travel	0.00	0.00	0.00	0.00
Utilities	4,021.77	4,021.77	4,021.77	4,021.77
Bridge	0.00	0.00	0.00	0.00
Interoperability Administration Fee				
Bridge	0.00	0.00	0.00	0.00
Interoperability Maintenance				
Toll Road	25,901.25	25,901.25	25,901.25	25,901.25
Property Insurance				
Toll Operational Support	32,019.05	32,019.05	32,019.05	32,019.05
Toll System	<u>62,500.00</u>	<u>62,500.00</u>	<u>62,500.00</u>	<u>62,500.00</u>
Provider Maintenance				
Total Toll Operating Expenses	<u>367,320.23</u>	<u>332,153.38</u>	<u>367,320.23</u>	<u>290,559.58</u>
Net Revenue	<u>82,975.58</u>	<u>118,142.43</u>	<u>82,975.58</u>	<u>159,736.23</u>
		35,166.85		76,760.65
		Net increase of 42%		Net increase of 93%



MEMORANDUM

TO: CCRMA Board of Directors

FROM: Adrian Rincones
Chief Financial Officer 

DATE: January 11, 2016

SUBJ: Consideration and Approval of awarding the Toll Back Office System RFP

The process of pursuing a Toll Back Office Operation began in September 2014 through discussions between Pete and I on how to increase our Toll Revenue and improve our overall Customer Satisfaction in operating SH550. The proposition of replacing our outsourcing agency with local staff and assuming more control of the operations was made and we agreed to pursue the concept.

In October 2014 in discussions with our Toll Consultants the Back office Solution Process was defined at a high level and ultimately seen as desirable to achieve our toll operational goals.

The total project process would cover a span of 14 months and revolved around planning, design, site visits, business rule development/customization, market evaluation, and procurement development and implementation.

In December 2014 a presentation was given to the board on the benefits and risks associated with pursuing a Back Office Solution along with a Task Order for Fagan Consulting to assist the RMA in developing an RFP for the Back Office Solution, Task Order was approved.

In January 2015 I conducted site visits in Atlanta, GA at State Road and Tollway Authority (SRTA) and Transurban 895 Pocahontas Pkwy in Richmond, VA of their back office operations and concluded that we could recreate a similar operation.

In April 2015 the RMA issued Completion bonds of 4.5 Million for the SH550 project of which 3.0 Million was to be used for the procurement of the BOS, Maintenance, Project Host Server, and International Bridge Interoperability.



Consideration and Approval of awarding the Toll Back Office System RFP (Continued)

The RMA and Fagan continued the development of the process and ultimately delivered the RFP in August 2015. The RFP consisted of the following 11 parts:

CCRMA RFP Main Document	CCRMA Price Proposal Form
Scope of Services	CCRMA RFP Technical Response Guide
BOS Implementation Timeline	CCRMA Payment Bond Form
CCRMA Technical Requirements	CCRMA Performance Bond
CCRMA Business Rules	CCRMA Sample Contract
CCRMA Performance Requirements	

Throughout the procurement process we received a total of 74 questions for clarification from 5 different vendors and ultimately received 4 proposals from the following companies:

Municipal Services Bureau
Schneider Electric
SWC Group
Toll Plus

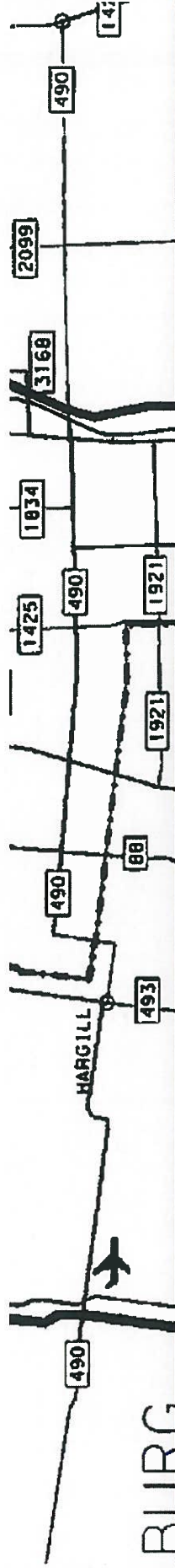
The scoring of the proposals was ultimately decided to be in two parts, 60% would be on the Technical capabilities and requirements of the system, and 40% would be on the Cost proposal.

The evaluation committee consisted of myself, Lizbeth Ponce (toll operations supervisor), Jeff Saurenmann (Fagan Consulting), and Fagan Consulting team.

We agreed to evaluate each proposal strictly on technical requirements and score all individually before we would review the cost proposals to avoid any influence in our judgement. Once we individually scored we would have a joint meeting to finalize our scores for each proposal.

The overall highest score was awarded to Toll Plus. More details on the process and benefits provided by the Toll Plus solution will be provided in the attached presentation.

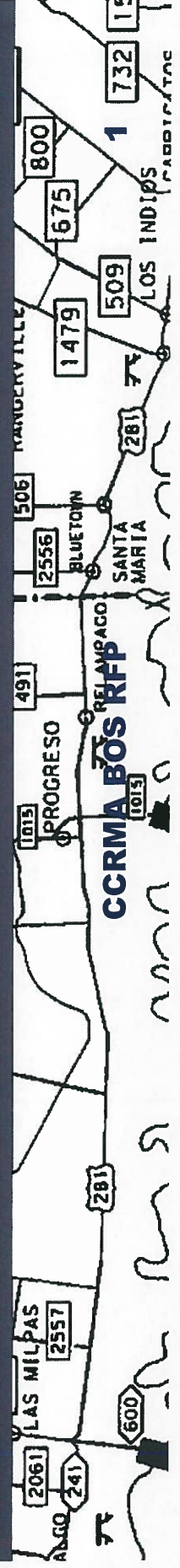
Staff recommends award of RFP to Toll Plus with Notice to Proceed with implementation.

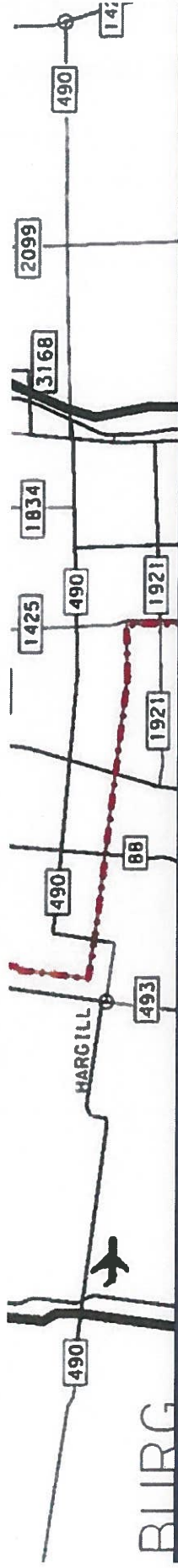


Back Office System (BOS) Implementation and Maintenance Request For Proposals (RFP)



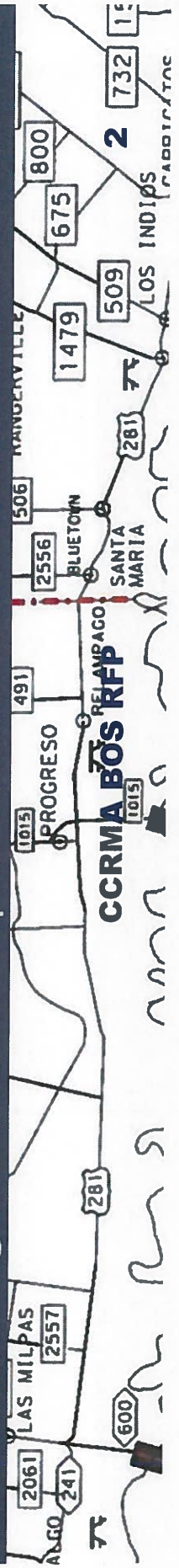
February 1, 2016

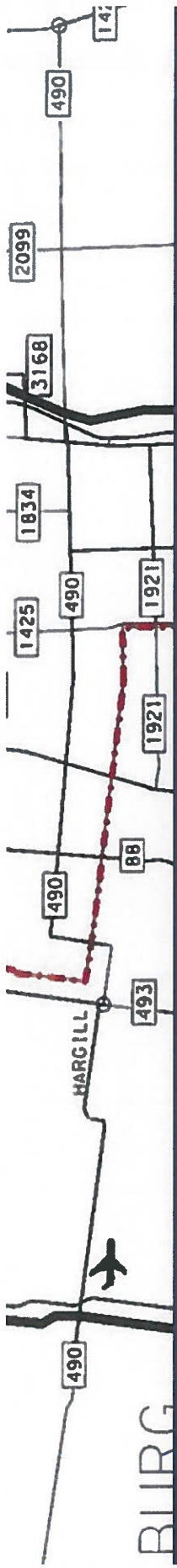




Agenda

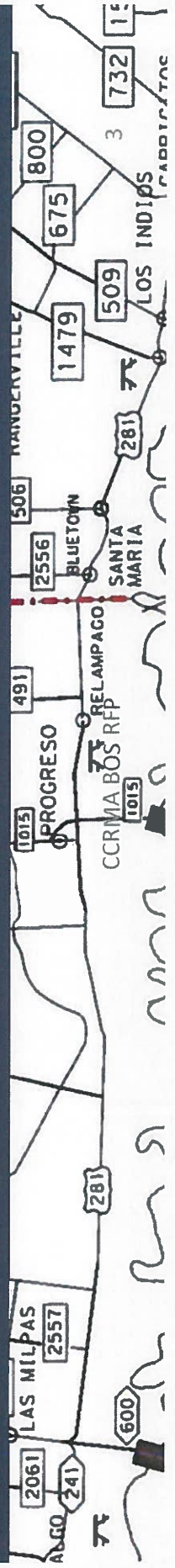
- Back Office System (BOS)
- Project Initiation
- Procurement Process
- Submittals Received
- Scoring Criteria
- Final Scores
- Costs
- Scoring Results & Request for Board Action





Back Office System (BOS)

- Key Components of a BOS
 - RFID/Transponder Transactions
 - Video Tolling
 - Violation Management
 - Payment Processing
 - Transaction Reconciliation
 - Customer Service Center Support & Interfaces



Project Initiation

September 11, 2014 meeting with Pete and suggestion made to bring PBM operations in house

Toll collections In-House IDMS 9/10/14

- 1 - Customer Service
 - More control over toll fees, change outstanding list, biller experience for customers.
 - Employee Focus on only customer experience, knowledgeable toll service, local.
 - Not only focus on collection but building a culture "where you laugh, happy meetings etc."
- 2 - Portfolio control
 - Better control over the potential future and outstanding tolls
 - Control to settle and manage outstanding debts easier.
- 3 - Cross Sell - TTAG
 - By interacting with our pay by mail clients, we have the opportunity to promote/upsell TTAG Endless collection to reduce our cash-to-cash profile.

CCRMA

Adrian Rincones

From: Adrian Rincones <arincones@ccrma.org>
 Sent: Monday, September 15, 2014 1:22 PM
 To: ron@faganconsulting.com
 Cc: bbrownberger@faganconsulting.com; 'Pete Sepulveda'
 Subject: In-house back office

Ron,

As per our discussion on planning out an in house back office operation, need your help with identifying all the needs in order to put this in place with the ultimate goal of providing the best customer service to CCRMA clients. I think we can focus on the hardware and processing part of this first and then hit the operations.

Can you set up a conference for next week so we can begin these discussions and then perhaps we can create a schedule

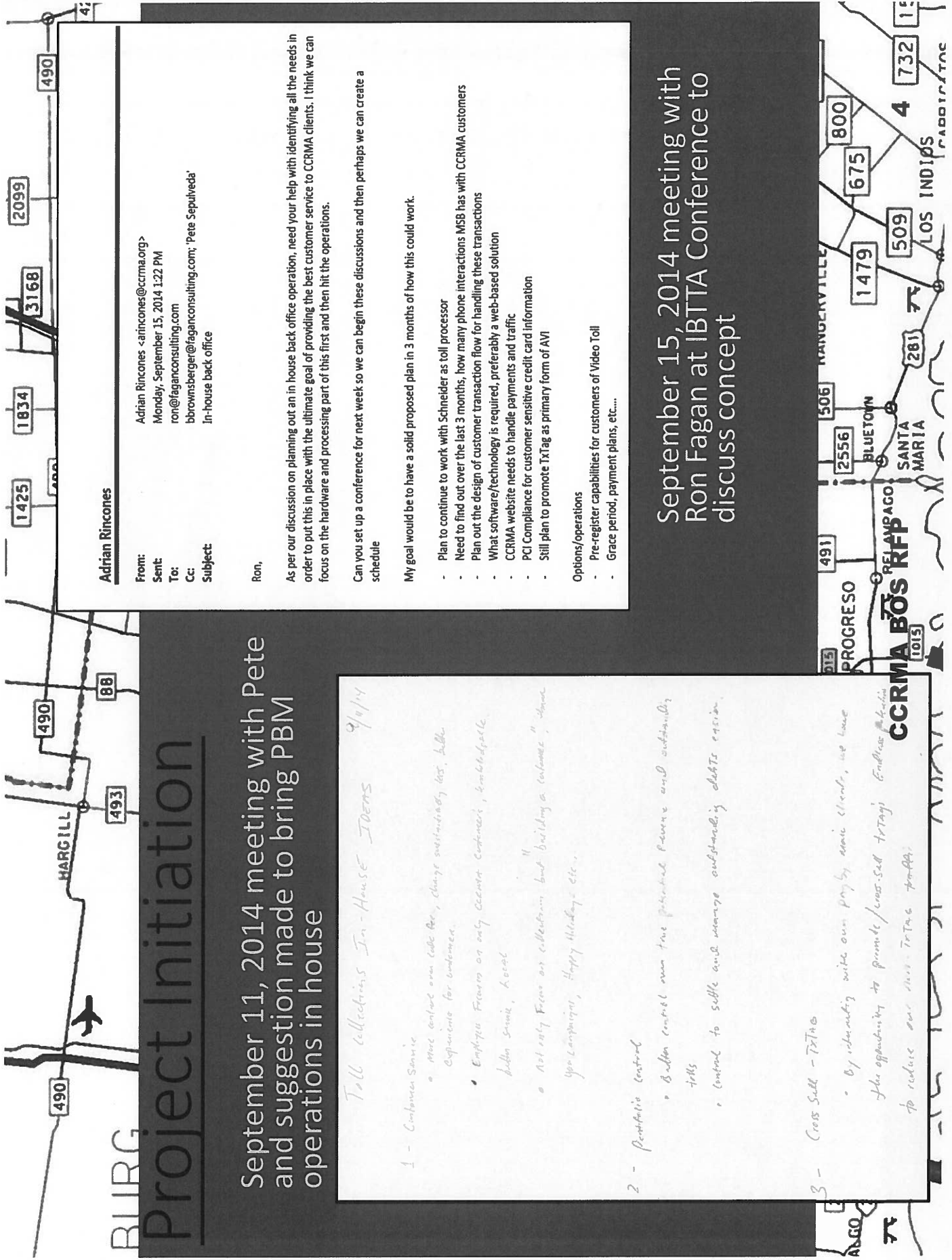
My goal would be to have a solid proposed plan in 3 months of how this could work.

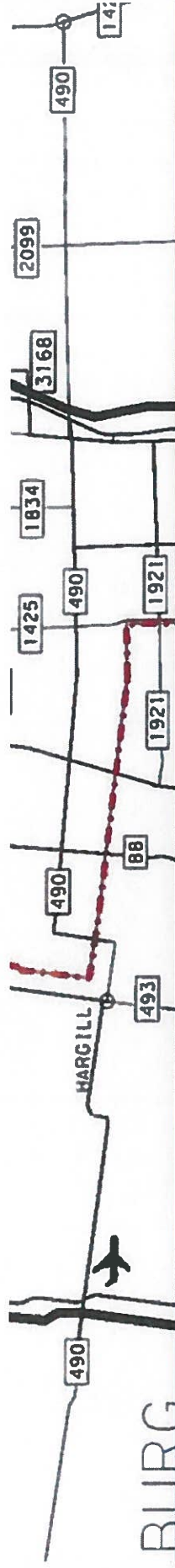
- Plan to continue to work with Schneider as toll processor
- Need to find out over the last 3 months, how many phone interactions MSB has with CCRMA customers
- Plan out the design of customer transaction flow for handling these transactions
- What software/technology is required, preferably a web-based solution
- CCRMA website needs to handle payments and traffic
- PCI Compliance for customer sensitive credit card information
- Still plan to promote TxTag as primary form of AVI

Options/operations

- Pre-register capabilities for customers of Video Toll
- Grace period, payment plans, etc....

September 15, 2014 meeting with Ron Fagan at IBTTA Conference to discuss concept





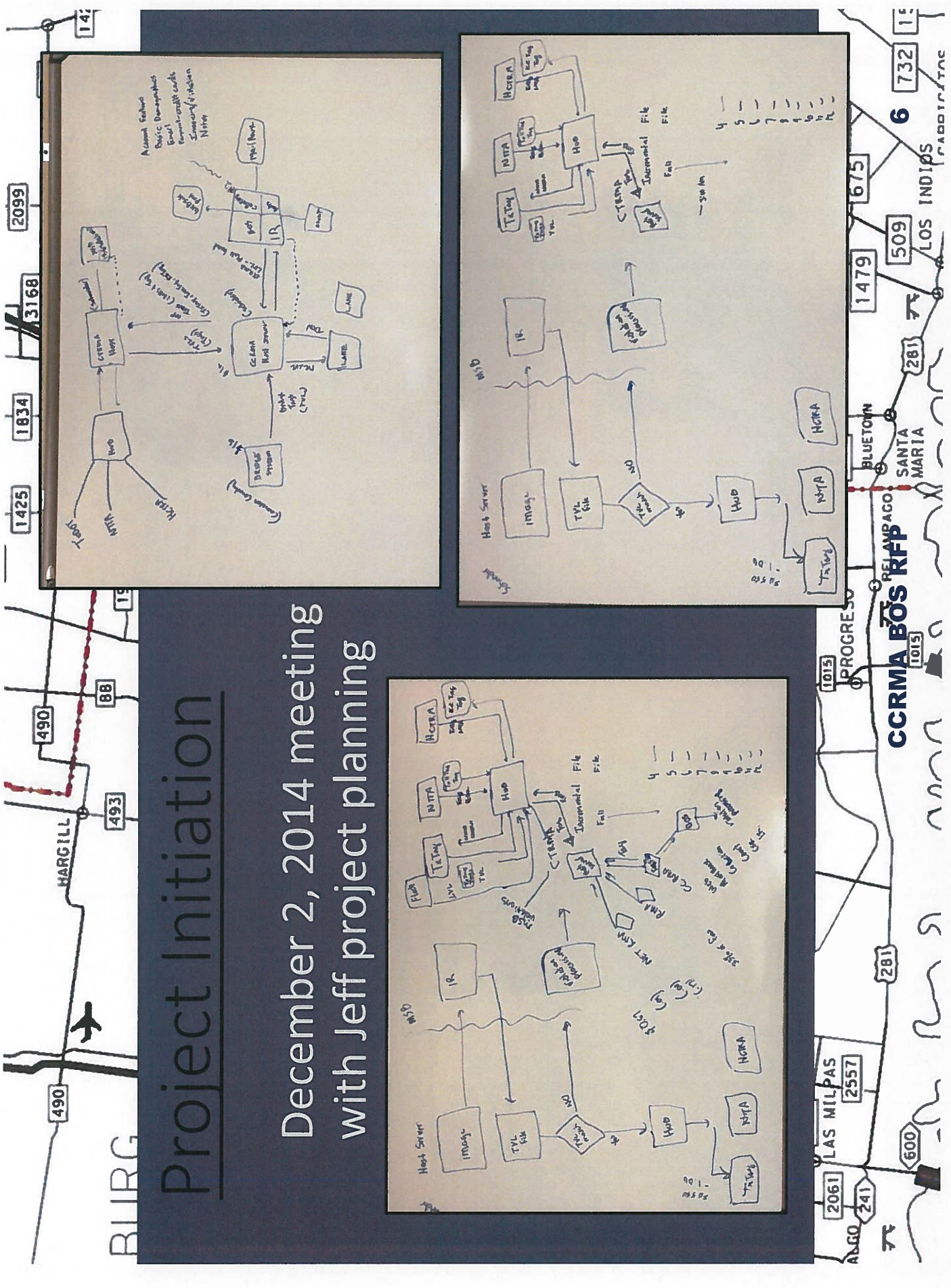
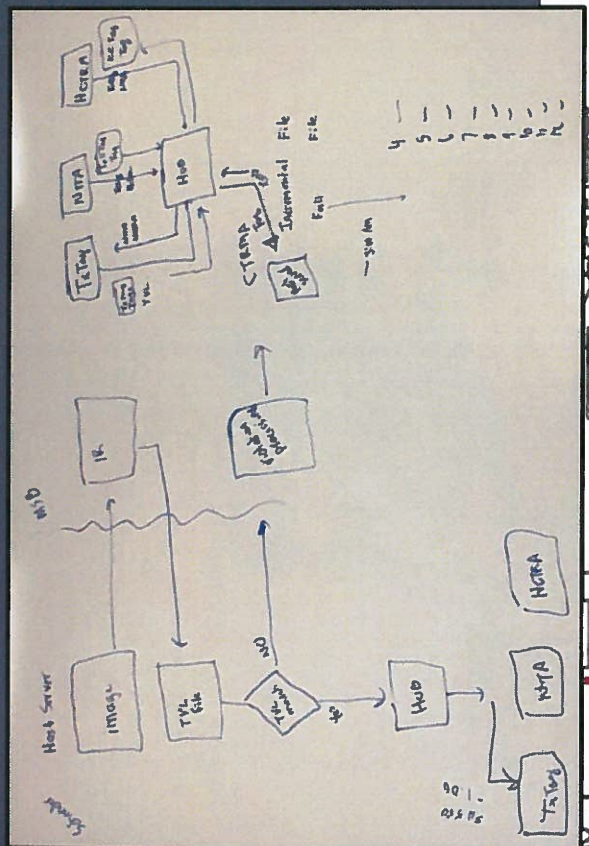
Project Initiation

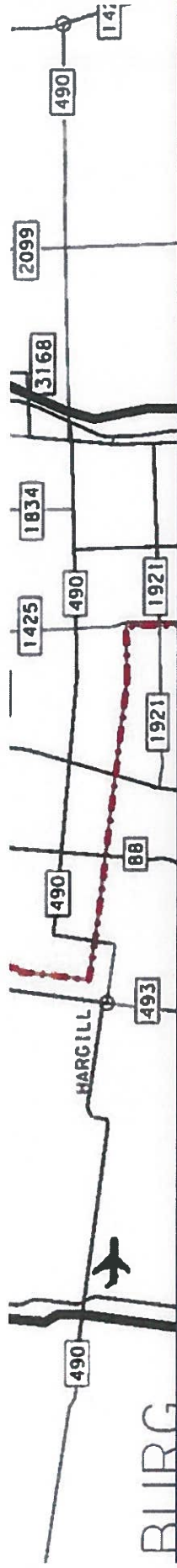
- September 25, 2014 Meeting with Fagan Consulting Team to discuss opportunities, challenges, and project feasibility
- October 15, 2014 Project Direction is finalized, and CCRMA decides to pursue project development
- November 21, 2014 Project Charter for Back Office Solution is drafted, Jeff Saurenmann introduced as project lead for Fagan Consulting



The diagram illustrates a neural network architecture with the following components and connections:

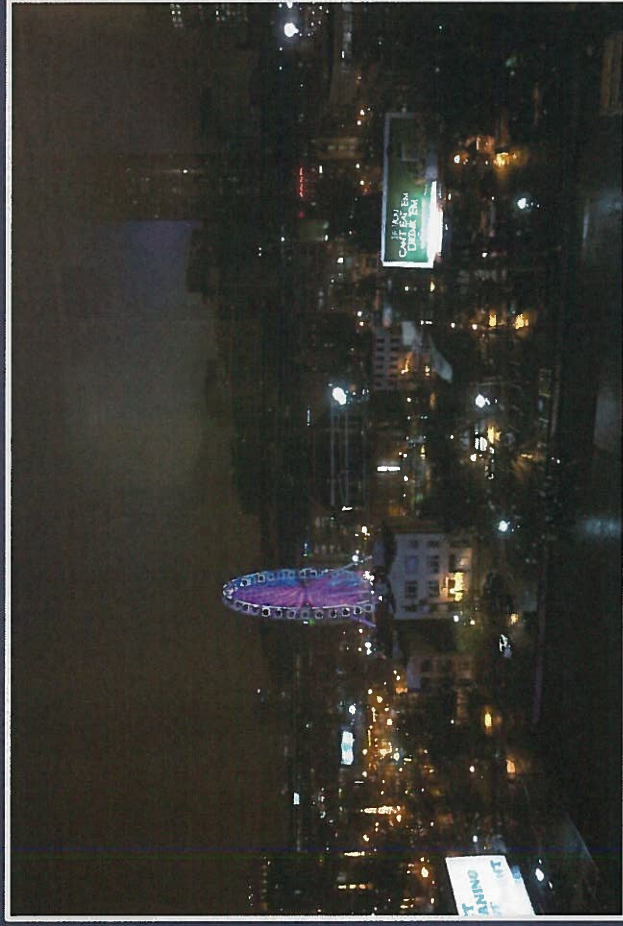
- Input Layer:** Contains an **Input** node and a **Bias** node. The input node is connected to the hidden layer nodes via weights $W_1, W_2, W_3, W_4, W_5, W_6, W_7, W_8, W_9, W_{10}$.
- Hidden Layer:** Contains a **Hidden** node and a **Bias** node. The hidden node is connected to the output layer nodes via weights $W_1, W_2, W_3, W_4, W_5, W_6, W_7, W_8, W_9, W_{10}$.
- Output Layer:** Contains an **Output** node and a **Bias** node. The output node is connected to the loss function via a weight W_1 .
- Loss Function:** A box labeled **Loss Function** that receives the output and the target value to calculate the loss.
- Learning Rate:** A box labeled **Learning Rate** that provides a parameter for the backpropagation process.
- Neural Network:** The overall structure is labeled **Neural Network**.

[illegible]

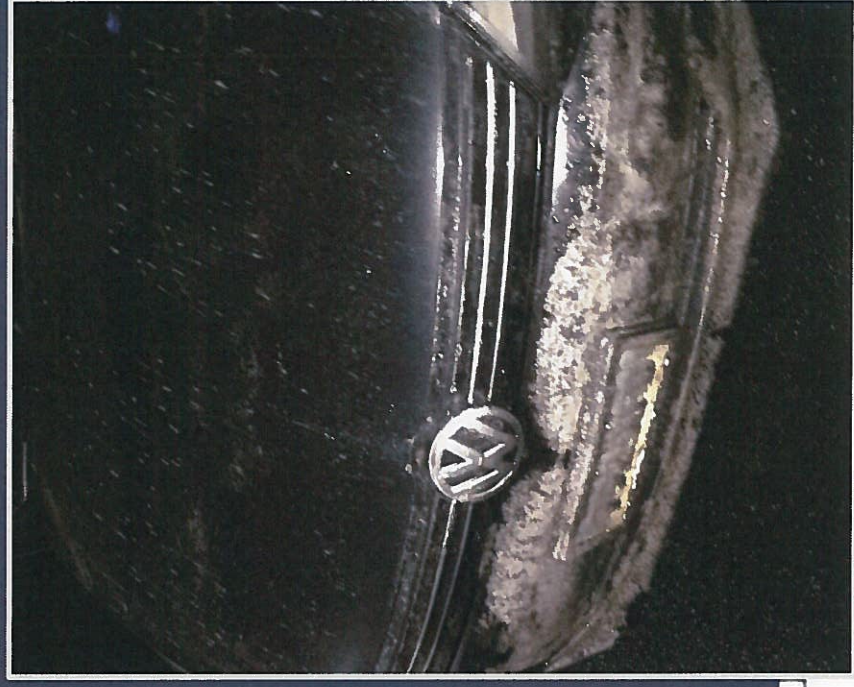


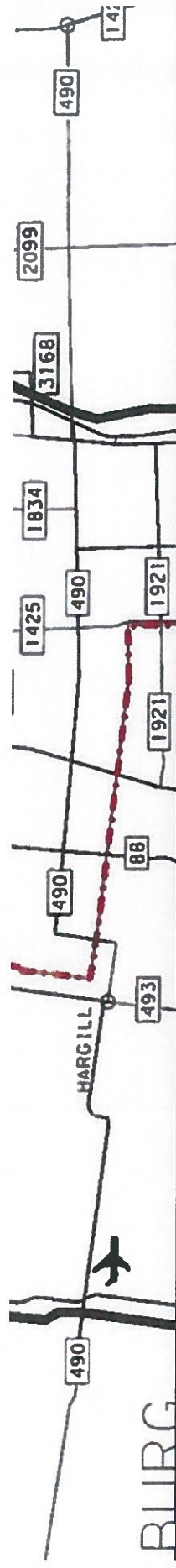
Project Initiation

January 14, 2015 Meeting with
Pocahontas 895 Parkway, BOS
walk through Richmond, VA



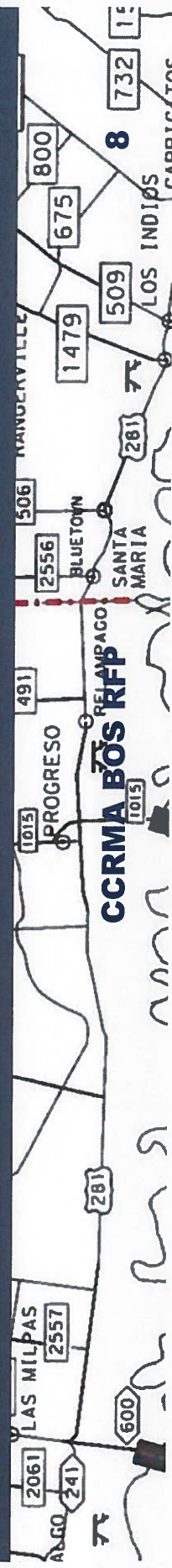
January 13, 2015 Meeting with
SRTA BOS Walk Through –
Atlanta, GA

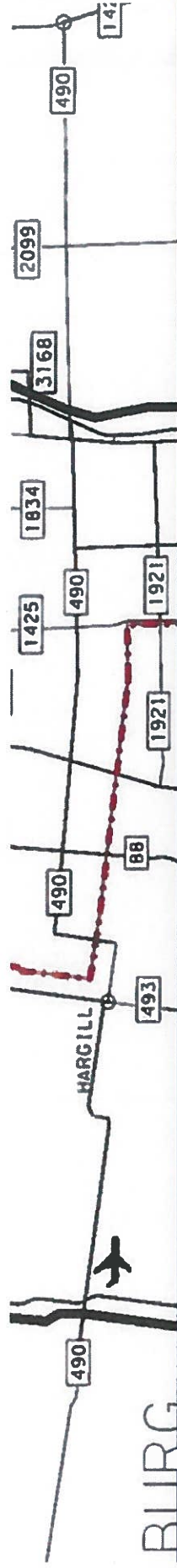




Project Initiation

- March 2015 – Completion of Structured Interview Questionnaire as a pre-cursor to Business Rules Development
- April 2015 – Draft of Business Rules
- May – June 2015 Business Rules finalized initiation of RFP drafts
- June – August 2015 Development and issuance of RFP

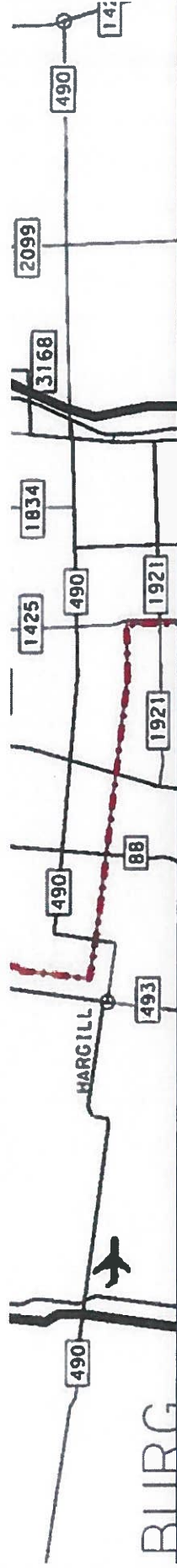




Procurement Process

- August 31, 2015 – Request for Proposal Issued
- October 26, 2015 – Deadline for questions by proposers
- October 30, 2015 – Responses to questions posted to CCRMA website
- November 12, 2015 – Submittals received (4)
- January 7th – 8th – Onsite presentations (4)
- January 9th – Technical evaluation completed
- January 12th – Cost evaluation completed

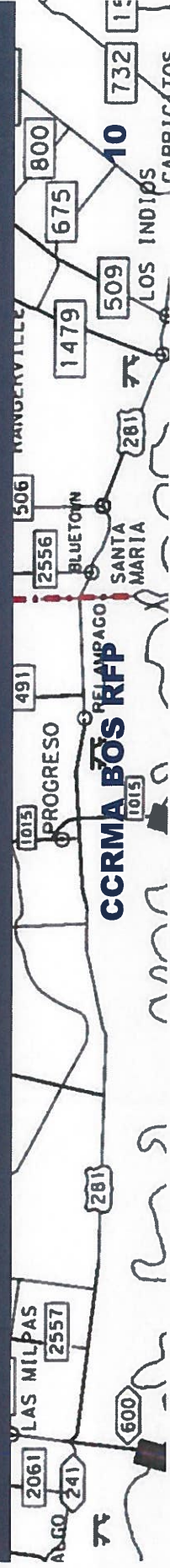


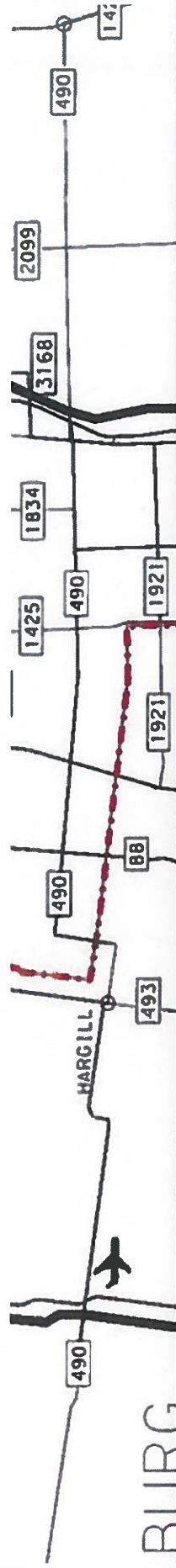


Procurement Process

RFP advertisement

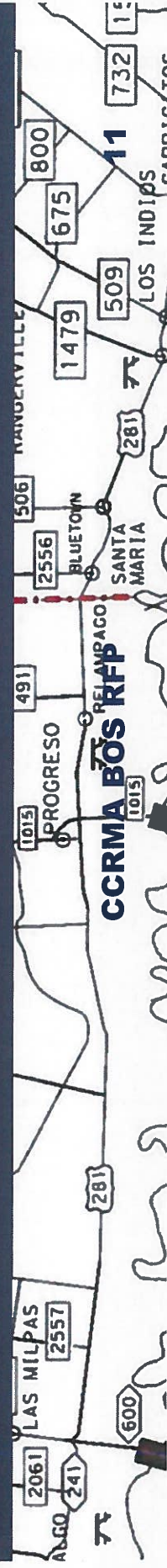
- International Bridge, Tunnel, and Turnpike Association (IBTTA) website (www.ibtta.org)
- Toll Road News website (www.tollroadnews.com)
- CCRMA website (www.ccrma.org)
- Toll Industry conferences
- Local newspapers

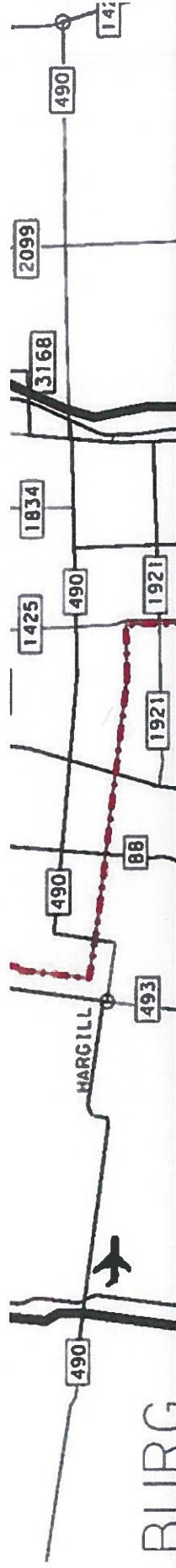




Submittals Received

- Municipal Services Bureau (MSB)
- Schneider Electric Mobility NA, Inc.
- Southwest Credit Systems, L.P.
- TollPlus, Inc.





Scoring Criteria

• Technical proposal 600 points (max)

- Qualifications
 - Company experience, key staff resumes, project approach and organization
- Technical requirements
 - 88 individual technical requirements

150 Points

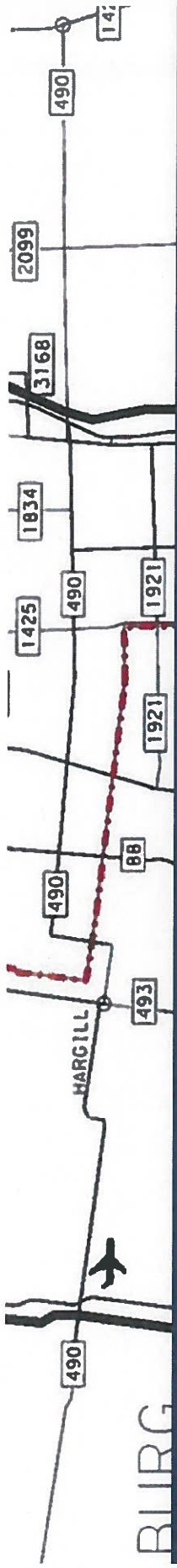
450 Points

• Cost proposal 400 points (max)

- Implementation services, hardware, software, 5 years of maintenance

• Total Possible Score 1000 Points (max)





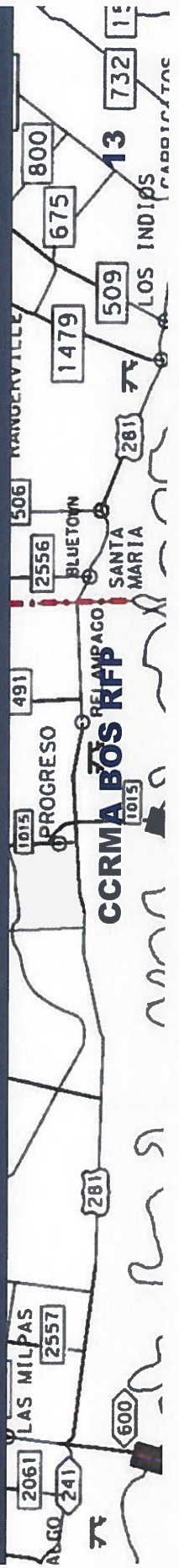
Scoring Criteria

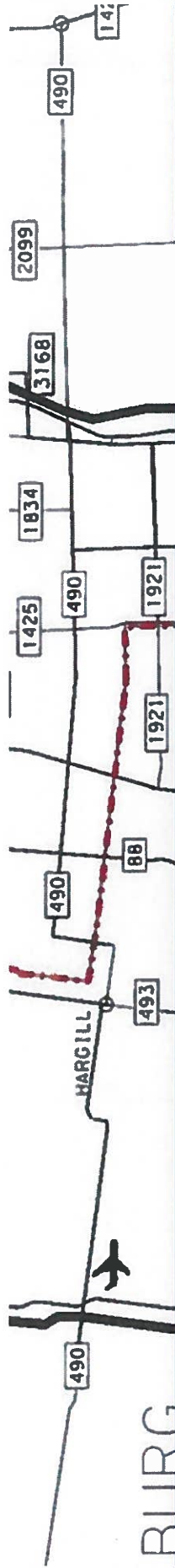
- Highest technical raw score adjusted to 600

	Raw Score	Adjusted Score
• Example:		
• Proposal A	525	600
• Proposal B	515	589 $(515/525) \times 600$
• Proposal C	510	583 $(510/525) \times 600$

- Lowest cost score adjusted to 400

• Proposal A	\$900,000	311	$(700,000 / 900,000) \times 400$
• Proposal B	\$800,000	350	$(700,000 / 800,000) \times 400$
• Proposal C	\$700,000	400	

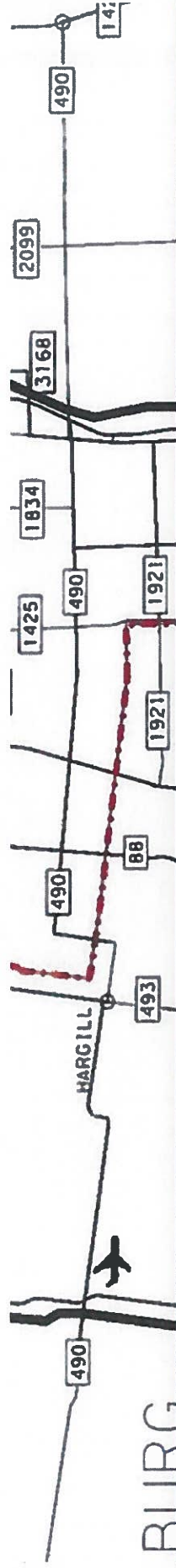




Total score

	Technical Score (adjusted)	Cost Score (adjusted)	Total Score
Municipal Services Bureau (MSB)	544	239	784
Schneider Electric Mobility NA, Inc.	588	289	877
Southwest Credit Systems, L.P.	556	314	870
TollPlus, Inc.	600	400	1000





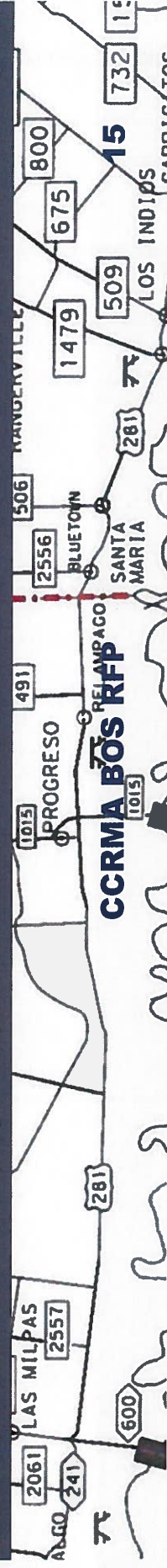
Cost

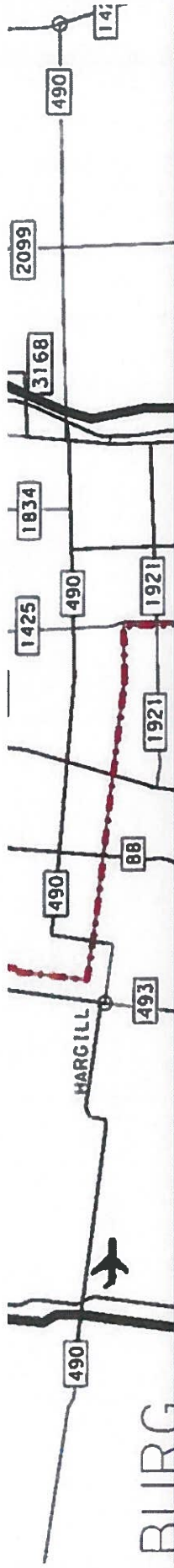
- **RFP Budget (as stated in RFP)**

- Implementation - \$900,000
- 5 year maintenance - \$900,000

- **TollPlus Cost Proposed**

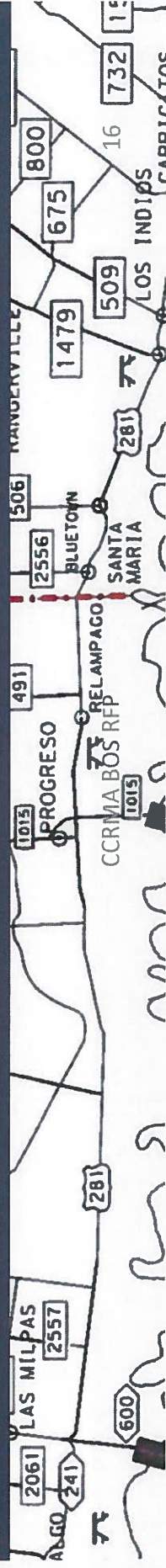
- Implementation - \$886,841
- Hardware - \$0.00
- Software - \$10,608
- Maintenance - \$897,580
- Total - \$1,795,029

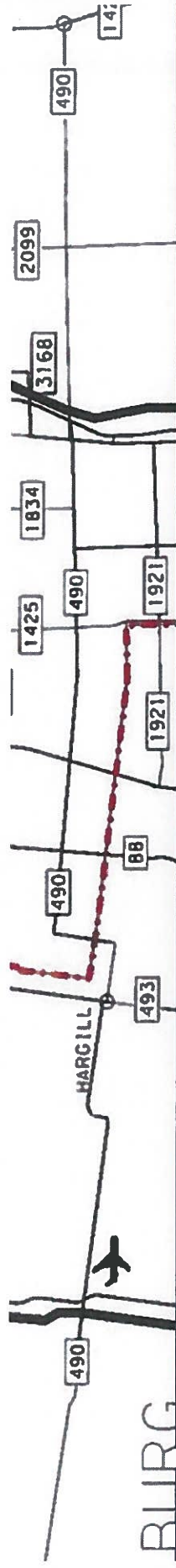




Future Cost Impacts

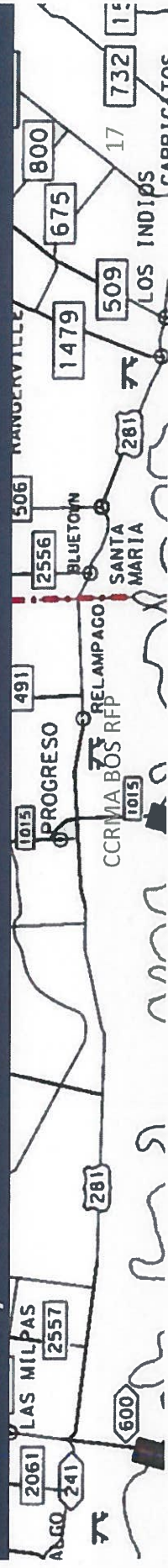
- Employee Costs – Staffing needed to operate CSC
- BOS/CSC Equipment– Staff workstations, printing hardware, network upgrades, etc...
- Office space – CSC will create a need to lease additional office space
- Interoperability & Interfaces – Desired interfaces to assist in collection efforts
- Contractual Costs – Operational and other support for BOS and CSC

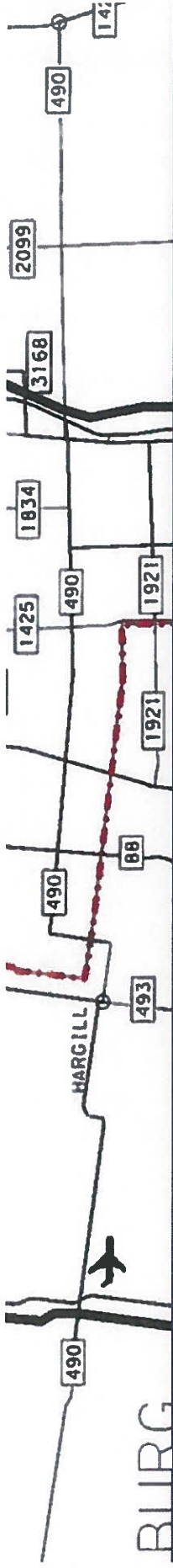




Toll Plus Experience & Capabilities

- 91 Express Lanes, Orange County Transportation Authority (OCTA), BOS June 2011 – Average of 35K Transactions a day
- OCTA & Riverside County Transportation, I-15 Project, BOS Deployed and in Testing, Average of 55K daily transactions, 100K Customer Accounts, 1 million active violation accounts
- Alliance for Toll Interoperability, pilot program to develop comprehensive solution to address interoperability between states, system tests of 500K transactions a day, 70 million license plates records daily

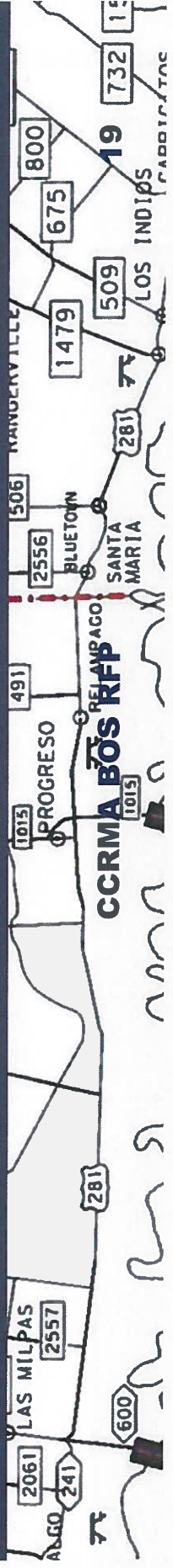


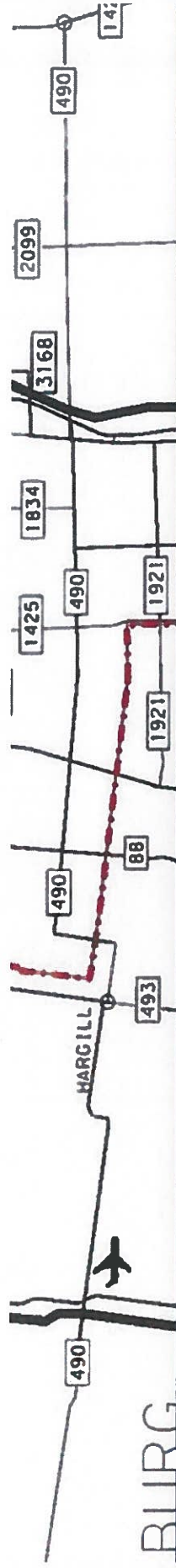


Best Value

Key differentiators and value add services included with TollPlus proposal

- Full service website for customers promotes self-service
- Capability to support CCRMA transponder (tag) accounts in future if desired
- Potential to support multiple tag accounts in a single customer account (e.g. parking, bridge, port)
- Built on solid accounting platform for accurate reconciliation, auditing, and financial reporting
- Highly configurable and flexible system to support future business changes with low risk, minimal costs, and short turnaround times
- Experienced technical staff with experience in toll systems and Fortune 500 companies in banking, credit card, and telecommunications industries

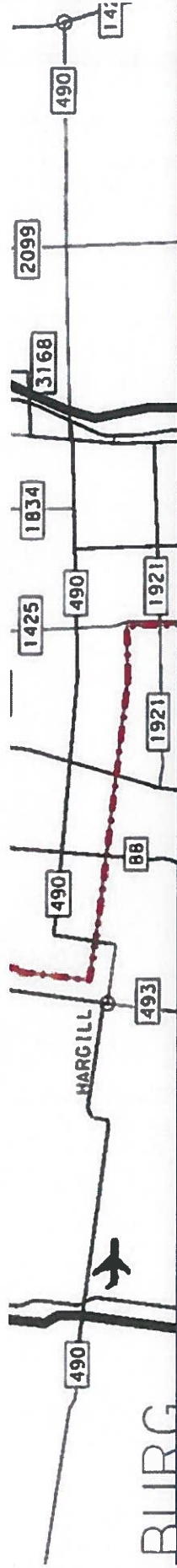




Key Milestones

- Next steps upon CCRMA Board Approval -
 - Contract Negotiation and Notice to Proceed (NTP): FEBRUARY 2016
 - Project planning and requirements workshops: MARCH – APRIL 2016
 - Software design and development: MAY – AUGUST 2016
 - Testing: SEPTEMBER 2016 – JANUARY 2017
 - Implementation: FEBRUARY 2017
 - Post-implementation observation period: MARCH – APRIL 2017
 - Maintenance period: APRIL 2017 – APRIL 2022
- Project schedule due 15 days from NTP





Questions?

CCRMA

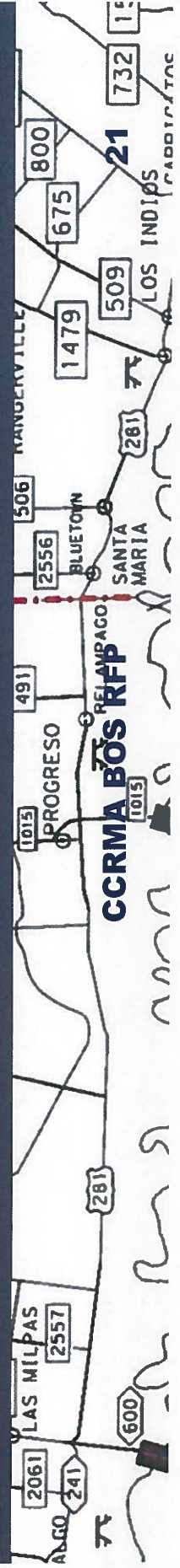
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**3-C CONSIDERATION AND AUTHORIZATION TO CONDUCT
INDUSTRY REVIEW MEETINGS IN ANTICIPATION OF ISSUING A
REQUEST FOR QUALIFICATIONS (RFQ) FOR A COMPREHENSIVE
DEVELOPMENT AGREEMENT FOR THE SPI 2ND ACCESS/OUTER
PARKWAY PROJECTS**



MEMORANDUM

TO: CCRMA Board of Directors

**FROM: Pete Sepulveda, Jr.
Executive Director**

DATE: February 1, 2016

SUBJ: Consideration and Authorization to conduct Industry Review Meetings in anticipation of issuing a Request for Qualifications (RFQ) for a Comprehensive Development Agreement for the SPI 2nd Access/Outer Parkway Projects

On September 21, 2015 Staff met with TxDot Special Projects Division and District Personnel in Pharr to discuss the CDA process for the SPI 2nd Access and Outer Parkway Projects for beginning the procurement process. A suggestion was made for CCRMA to lead the effort in requesting an Industry Outreach Meeting as an organized way of presenting to potential developers details about the project and allowing for feedback through individual confidential meetings.

A later meeting on November 2, 2015 was held in Austin where the recommendation was solidified that an Industry Outreach Meeting would be the first step towards the procurement process for these projects.

The Industry Outreach Meeting will be held on South Padre Island with the coordination and presentation of the projects lead by Staff. Below is a summary next few steps for the procurement process.

Industry Review Meeting (Presentation to Developers)	March 1, 2016
Individual Meetings with Developers	Late March or early April 2016
Initiate the RFQ Process	TBD

Staff recommends board provide authorization to move forward with conducting Industry Outreach Meetings.